

Memorandum

To: Chair and Commissioners

Date: April 25, 2002

From: Diane C. Eidam

File No:
Reference No. 5.1b.
Information

Ref: **Status Report on North Coast Railroad Authority's (NCRA) Comprehensive Assessment of Its Line**

Discussion:

NCRA expects the Capital Projects Assessment and the Environmental Consent Decree Assessment to be completed by the end of June 2002, and ready for CTC consideration at the August meeting. These assessments will provide a clearer picture of what the scope, cost and schedule associated with the reopening, upgrading and long-term stabilization projects will likely be. These projects, when taken cumulatively, form the strategy for the comprehensive rehabilitation of the Northwestern Pacific (NWP) corridor, and will provide the NCRA with the necessary data to refine the 2001 Strategic Plan and provide a well-defined approach to complete the overall project.

With the completion of both assessments, NCRA will be well positioned to commence the appropriate environmental review documents. It is anticipated that the environmental review process on the south end will be less complex than on the north end. Consequently, funding approval for projects on the southern portion of the line, separate and apart from funding for projects on the north portion of the line will be a targeted goal upon completion of the assessments.

NCRA's Project Manager will present a project management update on the Capital Assessment and Environmental Consent Decree Assessment.

Attachment

NCRA Project Management Update

CTC Meeting May 9, 2002

(Capital Assessment, Environmental Consent Decree)

Doug Christy / Project Manager NCRA

Dave Anderson / Project Manager Willdan

I. Assessment Methodology – Integrated Business Approach

- **NCRA Project Manager is primary coordinator of Capital Assessment, Environmental Consent Decree, Rail Feasibility Study and past and future rail operations**
- **Utilize critical commercial and operating information formulated from the Rail Feasibility Analysis's 25 year forecast**
- **Fully integrate Environmental Consent Decree (ECD) requirements into both future operations and capital upgrades**
- **Extract pertinent operating and maintenance information received from past and future rail operations**
- **Establish future operating, reopening and capital upgrade schedules and environmental strategy**
- **Envelope entire 25 year plan with a funding strategy to ensure success**

II. Capital Assessment Approach

- **PHASE I / REOPENING – Utilize a combination of funding to open the railroad for FRA Class 1, 2 & 3 upgrades and stabilization that satisfy initial customer service requirements, supported by the start-up operating plan, from information received from Rail Feasibility Study and past and future rail operations**
- **PHASE II / UPGRADE – Upgrade the entire railroad consistent with NCRA's Strategic Plan to FRA Class 2/3 with supporting stabilization**
- **PHASE III / FUTURE CAPITAL REQUIREMENTS – Identify future capital requirements (bridges, tunnels, long-term stabilization) and coordinate completion timeline in concert with revenue trend identified in Rail Feasibility Study and future funding strategy**

III. Capital Assessment Update

- Methodology employed in field assessment was 80/20 rule (80% of costs are contained in 20% of items) – all bridges, tunnels and unstable areas were assessed representing the majority of major expense items
- Current status of field assessment (roadway, bridges, tunnels, signals, stabilization)
- Current status of draft reports from subconsultants / final draft

IV. Environmental Consent Decree

A. Compliance Strategy

- NON-OPERATING RAILROAD ISSUES – Identifies project scope, cost and schedule for those items in the ECD that need clean-up or remediation regardless if railroad operates
- OPERATING RAILROAD ISSUES - Identifies those items in the ECD that pertain only to an operating railroad such as education, training and best management practices

B. Update

- Draft presentation given to Consent Decree parties 4/24/02
- Final report to be coordinated with overall capital assessment, environmental strategy and specific needs of consent decree parties

V. Timelines

- Phase I Reopening schedule contingent upon environmental strategy
- Phase II Upgrade schedule contingent upon current funding timelines along with future funding sources
- Phase III Capital Improvements contingent upon revenue projection / future profitability / future funding

VI. Conclusion

- Next Steps / Final report to the CTC
- Questions and Answers